Union Territories of Chandigarh, Dadra & Nagar Haveli and Daman & Diu.

Ethanol is a derivative of sugarcane molasses which is a decontrolled item. As such, no data on availability etc. are being maintained.

Production of Ethanol-Doped Petrol

1996. SHRIMATI BIMBA RAIKAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the details of progress made on conservation of petrol by introducing ethanol-doped petrol all over the country;

(b) whether the pilot projects set up in U.P. and Maharashtra for production of ethanol have shown promising results; and

(c) whether Government would consider mandating the sugar industry for increased production of ethanol corresponding to the capacity of each sugar mill?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) The Government has introduced a programme of supplying 5% ethanol blended petrol (EBP) in notified areas with a view to giving boost to agriculture sector and reducing environmental pollution. This programme was introduced after encouraging results of the three pilot projects at Miraj and Panewadi in Maharashtra and at Aonla in Uttar Pradesh for blending petrol with 5% ethanol.

A decision was taken by the Government in September 2002 that, with effect from 1.1.2003, only 5% ethanol blended petrol shall be sold in notified states and union territories. However, due to difficulties relating to taxation issues at state level and inconsistent availability of ethanol, the programme was taken up in a phased manner. Further, due to continuous difficulties in sourcing ethanol consistently at reasonable prices, Gazette Notification No. 705(E) dated 27.10.2004 was issued. In terms of the notification, as long as the prices of ethanol are competitive and reasonable, and supply of ethanol is adequate, the oil marketing companies are statutorily required to lift the same and supply the ethanol blended petrol in notified areas. The areas which have been notified are the States of Goa, Gujarat, Haryana, Karnataka, Maharashtra, Punjab,

Uttar Pradesh, Uttaranchal, Andhra Pradesh (all districts except Chittoor and Nellore), Tamil Nadu (only districts Coimbatore, Dindigul, Erode, Kanyakumari, Nilgiri, Ramanathpuram, Tirunelveli, Tuticorin, and Virudhunagar), and the Union Territories of Chandigarh, Dadra & Nagar Haveli and Daman & Diu.

(c) Manufacture of any commodity including ethanol is based on commercial decisions of the entrepreneur concerned. The Ministry of Food and Public distribution has stated that the Sugar development fund act, 1982, further amended in 2002, *inter alia,* provides for making loans to any sugar factory or any unit thereof for the production of anhydrous alcohol or ethanol from alcohol or from molasses with a view to improving their viability.

Refining Cost of Crude

1997. SHRI CHITTABRATA MAJUMDAR:
SHRI DIPANKAR MUKHERJEE:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the average refining cost of crude in IOC, HPCL, BPCL refineries as well as private refineries during the last three years;

(b) the average refining margin of the above refineries during the last three years;

(c) the average global price of crude oil, diesel, petrol and LPG in the years 2002-2003,2003-2004 and during the current year; and

(d) the tax and duty component in the subsidy amount computed by the oil companies/Government as unrecovered expenses or losses?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) The cost of refining crude oil depends upon a number of factors which include *inter alia* the type of crude oil, the size of the refinery, refinery configuration, age of equipment, technology used etc.

The average refining cost of public sector under-taking during 2001-02,